

Substance of Proposed Rule
Chapter 1220-4-12
Telecommunications Rule Implementing Toll-Free County-Wide Calling

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1220-4-12-.01 Definitions

- (1) “Access charge” shall mean the charge for providing access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.
- (2) “Authority” refers to the Tennessee Regulatory Authority
- (3) “CLEC” shall mean competitive local exchange carrier or competing Telecommunications Service Provider as defined in Tenn. Code Ann. § 65-4-101(1).
- (4) “County-wide or intra-county calls” shall mean any landline telephone call made between two (2) points in the same county in Tennessee.
- (5) “Database administrator” refers to the entity designated by the Authority to manage the Tax Area Rate database.
- (6) “ILEC” shall mean incumbent local exchange carrier as defined in Tenn. Code Ann. § 65-4-101(4).
- (7) “IXC” shall mean inter-exchange carrier as defined in Tenn. Code Ann. § 65-4-101(6) (I).
- (8) “Landline calls” shall mean calls transported over a telecommunications landline facility but does not include wireless.
- (9) “Landline facility” shall mean a conventional telephone facility including twisted-pair lines, carrier facilities and microwave radio facilities for supporting a conventional telephone channel not including satellite or mobile telephone lines using radio transmissions.
- (10) “Reseller” shall mean any Telecommunications Service Provider providing telecommunications service to an end user by resale of all or part of the facilities of another carrier.
- (11) “TAR” shall mean the statewide Tax Area Rate database that identifies a local service provider’s telephone number and the county in which the end user of that telephone number is physically located. This information is used to determine where the call physically originates and terminates.

- (12) “Telephone Cooperative” shall mean any telephone company operating in Tennessee under the authority of Tenn. Code Ann. Chapter 29.
- (13) “Telecommunications Service Provider” means any incumbent local exchange telephone company or certificated individual or entity, or individual or entity operating pursuant to the approval by the Authority of a franchise within Tenn. Code Ann. § 65-4-207(b), authorized by law to provide, and offering or providing for hire, any telecommunications service, telephone service, telegraph service, paging service, or communications service similar to such services unless otherwise exempted from this definition by state or federal law (Tenn. Code Ann. § 65-4-101(c)).
- (14) “Virtual NXX” shall mean NXX codes that are central office codes that correspond with a particular geographic area that is assigned to a customer located in a different geographic area.
- (15) “Wireless provider” shall mean a provider of telecommunications services such as cellular telephone, paging or personal communications for which all or part of the communications pathway between users includes transmission through radio links.

1220-4-12-.02 Scope and Purpose of Rule

- (1) It is established that there is a public interest need that any telephone call made between two (2) points in the same county in Tennessee shall be classified as toll-free and shall not be billed to any customer. This public interest need mandates that all landline Telecommunications Service Providers including but not limited to ILECs, CLECs, IXCs, Resellers and Telephone Cooperatives not bill for such calls when the call is transported over landline facilities.
- (2) This Chapter is not applicable to calls from wireless telephone service providers, payphone line service, Outward Wide Area Telecommunications Service (WATS) and 800-type service, quoted charges, foreign exchange and remote call forwarding services when such calls are being forwarded to a location outside the county of the originating call and to numbers assigned to a virtual exchange unless the telephone number is physically located in the same county as the originating telephone number.
- (3) Any telecommunications service provider may file a petition with the Authority for relief if it believes that complying with this Chapter will prevent it from achieving a fair rate of return.

1220-4-12-.03 Methodological Requirements

- (1) Telecommunications service providers providing local service in Tennessee utilizing their own telephone number assignments are required to participate in the Tax Area Rate (TAR) database maintained by the Authority, or its designee. Prior to billing a customer toll charges in Tennessee all Telecommunications Service Providers shall use current information from the TAR database to ensure that the calling customer is not billed toll charges for any telephone call that originates and terminates within the same county. Telecommunications Service Providers seeking to comply with Tenn. Code Ann. § 65-21-114 by alternative means may seek a waiver from the Authority from participating in the TAR database or from using the TAR database as its method of complying with the requirements of Tenn. Code Ann. § 65-21-114.

1220-4-12-.04 Database Administration

- (1) The Authority shall ensure that the administration of the TAR database is provided in a fair, efficient and economical manner and that each Telecommunications Service Provider at the time of its application for authority to operate in Tennessee is made aware of its responsibility to participate in the database.
 - (a) The Authority shall designate the administrator of the TAR database for a term not to exceed ten (10) years. The administrator is required to give the Authority a one (1) year's notice of its intent to cease providing the service.
- (2) Information required by the database administrator from Telecommunications Service Provider shall be limited to data necessary to determine the county in which the end users of the telephone numbers assigned are located.
- (3) The database administrator and all telecommunications service providers with access to the database have a duty to protect the confidentiality of the customer information contained in the database and shall use the information only for the purposes of implementing these rules.
- (4) Within thirty (30) days of the effective date of these rules the database administrator shall make available to all Telecommunication Service Providers operational guidelines (guidelines) for the administration of the database. Telecommunications Service Providers shall have sixty (60) days from the effective date of this Rule Chapter to comply with the guidelines.
 - (a) The database administrator shall notify the Authority and Telecommunications Service Providers participating in the TAR database at least thirty (30) days in advance of the effective date of any changes to the guidelines.
- (5) It shall be the responsibility of Telecommunications Service Providers to submit accurate data to the database administrator including the TAR Code for the county in which the end user of that telephone number is physically located. Data errors detected by the database administrator shall be returned to the submitting Telecommunications Service Provider for corrections and resubmission within two (2) business days.
- (6) Each Telecommunications Service Provider shall submit its updated information to the TAR database administrator no less than twice a month as specified by the guidelines to ensure accuracy of the data.
- (7) Each Telecommunications Service Provider shall receive from the database administrator a bi-monthly update as specified by the guidelines and update its systems with all new additions and deletions.
- (8) The database administrator shall provide to the Authority reports on the operations of the database, as requested.
- (9) Any Telecommunications Service Provider may file a complaint with the Authority regarding any aspect of the operation of the TAR database.

1220-4-12-.05 Access Charges Prohibited

- (1) Originating and terminating access charges shall not apply to county-wide calls. Any carrier that is billed access charges for these calls shall obtain prompt credit for these charges from the billing carrier upon presenting sufficient documentation.

1220-4-12-.06 Penalty Provision

- (1) Violators of this Chapter shall be subject to a civil penalty, payable to the Authority, pursuant to Tenn. Code Ann. § 65-4-120.
- (2) Violations shall be calculated in a liberal manner in order to protect the public interest and deter similar violations.

Authority: T.C.A. §§ 65-2-102, 65-4-104, 65-4-201.